

DELAWARE COMPENSATION RATING BUREAU, INC.

Claim Frequencies

The attached exhibits examine historical Workers Compensation claim frequencies in Delaware.

Claim frequencies per \$1 million of expected losses are shown on page 1 based on statistics gathered by the DCRB. The second page shows a graph of the frequencies appearing in column (5) of page 1.

The third page shows annual changes in average quarterly wages over the last eight available calendar quarters.

Delaware W.C - Claim Frequencies

DCRB Unit Statistical Plan
Excluding Deductible Business

Policy Year	# of Claim Indemnity (1)	% Change Counts (2)	Expected Losses (3)	% Change Exp Loss (4)	Claim Frequency (#Claims per \$1 million) (5)	% Change Frequency (6)
1999	2,451		141,153,451		17.36	
2000	2,301	-6.1%	145,987,473	3.4%	15.76	-9.2%
2001	1,973	-14.3%	143,552,920	-1.7%	13.74	-12.8%
2002	1,930	-2.2%	138,619,412	-3.4%	13.92	1.3%
2003	1,846	-4.4%	138,622,781	0.0%	13.32	-4.3%
2004	1,734	-6.1%	147,887,699	6.7%	11.73	-11.9%
2005	1,648	-5.0%	157,060,754	6.2%	10.49	-10.6%
2006	1,603	-2.7%	162,210,105	3.3%	9.88	-5.8%
2007	1,479	-7.7%	161,066,033	-0.7%	9.18	-7.1%
2008	1,286	-13.1%	157,549,386	-2.2%	8.16	-11.1%
2009	1,243	-3.3%	152,874,351	-3.0%	8.13	-0.4%
2010	1,332	7.2%	163,670,209	7.1%	8.14	0.1%
2011	1,281	-3.8%	167,027,959	2.1%	7.67	-5.8%
2012	1,182	-7.7%	171,323,058	2.6%	6.90	-10.0%
2013 *	1,061 *	-10.2%	146,387,114 *	-14.6%	7.25 *	5.1%
2013 **					7.30	5.8%

Period	Annual % Change In Claim Frequency	Period	Annual % Change In Claim Frequency
PY99-PY13	-6.4%	PY99-PY12	-6.7%
PY00-PY13	-6.2%	PY00-PY12	-6.6%
PY01-PY13	-6.0%	PY01-PY12	-6.4%
PY02-PY13	-6.1%	PY02-PY12	-6.6%
PY03-PY13	-5.8%	PY03-PY12	-6.4%
PY04-PY13	-5.2%	PY04-PY12	-5.8%
PY05-PY13	-4.7%	PY05-PY12	-5.3%
PY06-PY13	-4.3%	PY06-PY12	-5.0%
PY07-PY13	-3.8%	PY07-PY12	-4.5%
PY08-PY13	-3.1%	PY08-PY12	-3.9%
PY09-PY13	-3.7%	PY09-PY12	-5.4%
PY10-PY13	-4.2%	PY10-PY12	-7.9%
PY11-PY13	-2.4%	PY11-PY12	-10.0%
PY12-PY13	5.8%		

* Includes approximately 1st 9 months of PY2013.

** Projected value for complete PY 2013 is 7.30 based on an annual change in claim frequency of 5.8%.

Policy Year	SAWW	% Change SAWW	SAWW Index	Adj Claim Freq. (1) (#Claims per \$1 million)	% Change Adj Claim Frequency
1999	689.03		1.0000	17.36	
2000	720.50	4.6%	1.0457	16.48	-5.1%
2001	748.78	3.9%	1.0867	14.93	-9.4%
2002	772.98	3.2%	1.1218	15.62	4.6%
2003	800.52	3.6%	1.1618	15.48	-0.9%
2004	836.38	4.5%	1.2139	14.24	-8.0%
2005	872.92	4.4%	1.2669	13.29	-6.7%
2006	898.06	2.9%	1.3034	12.88	-3.1%
2007	911.87	1.5%	1.3234	12.15	-5.7%
2008	915.37	0.4%	1.3285	10.84	-10.8%
2009	923.91	0.9%	1.3409	10.90	0.6%
2010	950.30	2.9%	1.3792	11.23	3.0%
2011	979.36	3.1%	1.4214	10.90	-2.9%
2012	994.77	1.6%	1.4437	9.96	-8.6%
2013 ⁽²⁾	1,007.12	1.2%	1.4616	10.60	
2013	1,008.90		1.4642	10.69	7.3%

Period	Annual % Change In Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY99-PY13	-3.9%	PY99-PY13	2.7%
PY00-PY13	-3.8%	PY00-PY13	2.6%
PY01-PY13	-3.7%	PY01-PY13	2.4%
PY02-PY13	-3.9%	PY02-PY13	2.3%
PY03-PY13	-3.8%	PY03-PY13	2.1%
PY04-PY13	-3.4%	PY04-PY13	1.9%
PY05-PY13	-3.0%	PY05-PY13	1.8%
PY06-PY13	-2.6%	PY06-PY13	1.8%
PY07-PY13	-2.0%	PY07-PY13	1.9%
PY08-PY13	-1.1%	PY08-PY13	2.1%
PY09-PY13	-1.6%	PY09-PY13	2.2%
PY10-PY13	-2.4%	PY10-PY13	2.0%
PY11-PY13	-1.0%	PY11-PY13	1.5%
PY12-PY13	7.3%	PY12-PY13	1.4%

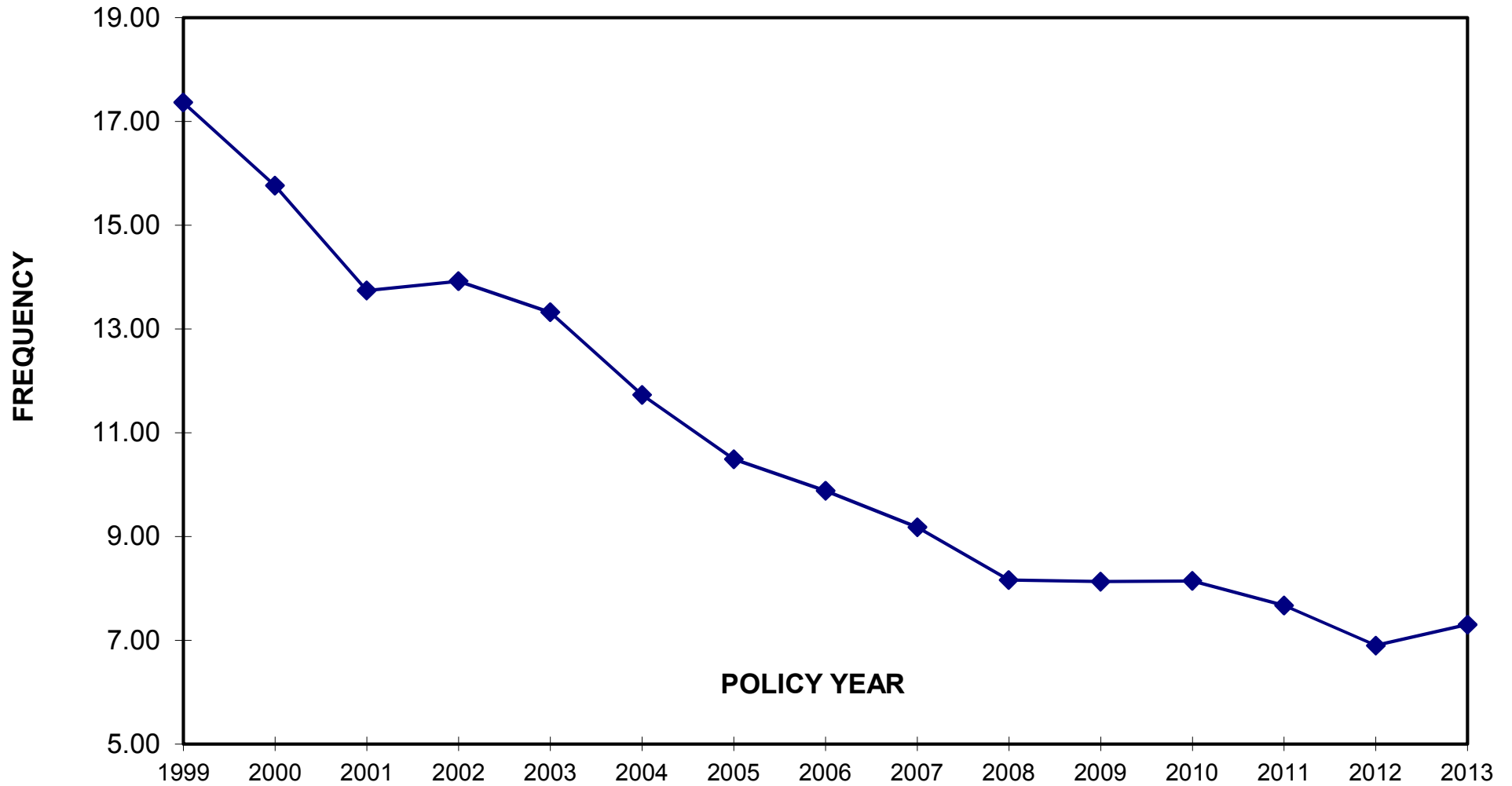
(1) Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (1999) wages

(2) Includes approximately 1st 9 months of PY 2013. (Full Year=1008.90-Average of CY 2013 and 2014)

DE W.C. - CLAIM FREQUENCIES

DCRB Unit Statistical Plan

(Excluding Deductible Business)



—◆— Claim Freq per \$1 Million

**DELAWARE COMPENSATION RATING BUREAU, INC.
DERIVATION OF WAGE TREND**

YEAR	QUARTER	SOURCE*	STATEWIDE AVERAGE QUARTERLY WAGE	ESTIMATE FOR YEARLY RATE OF WAGE INFLATION
2012	1	ACTUAL	13,893	
	2	ACTUAL	12,245	
	3	ACTUAL	11,925	
	4	ACTUAL	13,509	
2013	1	ACTUAL	13,858	0.9975
	2	ACTUAL	12,509	1.0216
	3	ACTUAL	12,147	1.0186
	4	ACTUAL	13,429	0.9941
2014	1	ACTUAL	14,382	1.0378
	2	ACTUAL	12,645	1.0109
	3	ACTUAL	12,410	1.0217
	4	ACTUAL	13,613	1.0137

Latest Eight Quarter Average = 1.0145

Selected Annual Wage Trend = 1.0145

* Delaware Department of Labor